

South Dakota Public Utilities Commission Meeting
Tuesday, May 8, 2007, at 9:30 A.M.
State Capitol Building, Room 412
Pierre, South Dakota

NOTE: *If you wish to join this meeting by conference call, please contact the Commission at 605-773-3201 by 5:00 p.m. on May 7, 2007. Lines are limited and are given out on first come/first serve basis, subject to possible reassignment to accommodate persons who must appear in a proceeding. Ultimately, if you wish to participate in the Commission Meeting and a line is not available you may have to appear in person.*

NOTE: *To listen to the Commission Meeting live please go to the PUC's website www.puc.sd.gov and click on the LIVE button on the home page. The Commission requests that persons who will only be listening to proceedings and not actively appearing in a case listen via the webcast to free phone lines for those who have to appear. The Commission meetings are archived on the PUC's website under the Commission Actions tab and then click on the LISTEN button on the page.*

NOTE: *Notice is further given to persons with disabilities that this Commission meeting is being held in a physically accessible place. If you have special needs, please notify the Commission and we will make all necessary arrangements.*

AGENDA OF COMMISSION MEETING

Consumer Reports

1. Status Report on Consumer Utility Inquiries and Complaints Received by the Commission.
(Consumer Affairs: Deb Gregg)

Electric

1. EL06-018 In the Matter of the Consideration of the New PURPA Standards (Staff Analyst: Nathan Solem, Staff Attorney: Kara Van Bockern)

On August 8, 2005, the Energy Policy Act of 2005 ("EPAAct 2005") was signed into law. Certain provisions in the EPAAct 2005 amend the Public Utility Regulatory Policies Act ("PURPA") of 1978. The EPAAct 2005 adds five new federal standards to PURPA. The five standards regard net metering, fuel diversity, fossil fuel generation efficiency, smart metering, and interconnection for distributed resources. Under the EPAAct 2005, the Public Utilities Commission (Commission) has varying timelines within which to consider these standards and determine whether to adopt them. The Commission voted to open a docket to seek comments from interested persons or entities on how to proceed. The Commission requested comments on the following: 1) which electric utilities operating in South Dakota are affected by the standards and are subject to the Commission's jurisdiction? 2) Should the Commission open a docket for each utility or open a generic docket encompassing all of the affected utilities? 3) Should the Commission combine all of the standards, some of the standards, or have separate dockets for each standard? 4) Should the Commission hold evidentiary hearings with direct testimony and cross-examination? 5) If the

Commission decides to implement any of the standards, should it do so through a rulemaking? 6) With respect to the net metering standard, should the Commission find it is not required to consider this standard given that the Legislature has already considered net metering in a past legislative session? Comments were received from the South Dakota Rural Electric Association and South Dakota Electric Utility Companies. A hearing on these issues was held on May 1, 2007.

TODAY, how shall the Commission Proceed?

2. **EL07-013 In the Matter of the Joint Request for an Electric Service Territory Boundary Change between Black Hills Electric Cooperative, Inc. and Black Hills Power, Inc. (Staff Analysts: Nathan Solem/Martin Bettmann, Staff Attorney: Karen Cremer)**

On April 6, 2007, Black Hills Electric Cooperative, Inc. (BHEC) and Black Hills Power, Inc. (BHP) filed for Commission approval a Service Territory Transfer Agreement between BHEC and BHP. BHP agrees to transfer to BHEC a frozen customer and four lots in Sections 19 and 30, Township 1 South, Range 5 East, Black Hills Meridian, Pennington County, South Dakota. It is the opinion of both BHEC and BHP that this transfer of service area is in the best interests of both parties, as well as in the public interest.

TODAY, shall the Commission Grant the Joint Request for an Electric Service Territory Boundary Change?

3. **EL07-014 In the Matter of the Joint Request for an Electric Service Territory Boundary Change between Black Hills Electric Cooperative, Inc. and Black Hills Power, Inc. (Staff Analysts: Nathan Solem/Martin Bettmann, Staff Attorney: Karen Cremer)**

On April 6, 2007, Black Hills Electric Cooperative, Inc. (BHEC) and Black Hills Power, Inc. (BHP) filed for Commission approval a Service Territory Transfer Agreement between BHEC and BHP. BHEC agrees to transfer to BHP approximately five customers in Section 29, Township 1 North, Range 7 East, Black Hills Meridian, Pennington County, South Dakota. It is the opinion of both BHEC and BHP that this transfer of service area is in the best interests of both parties, as well as in the public interest.

TODAY, shall the Commission Grant the Joint Request for an Electric Service Territory Boundary Change?

Natural Gas

1. **NG07-010 In the Matter of the Filing by Montana-Dakota Utilities Co. for Approval of Tariff Revisions. (Staff Attorney: Kara Van Bockern, Staff Analyst: Dave Jacobson)**

Application by Montana-Dakota Utilities Co. for approval of tariff revisions to revise its policy regarding Seasonal Reconnection charges applicable to certain natural gas customers under General Provisions Rate 100. The proposed revisions would provide seasonal business customers credit for volumes of natural gas used during the time in service when calculating the applicable reconnection charge.

TODAY, shall the Commission Approve the Tariff Revisions?

Telecommunications

1. **TC07-019 In the Matter of the Filing for Approval of an Amendment to an Interconnection**

Agreement between Qwest Corporation and MCImetro Access Transmission Services. (Staff Attorney: Kara Van Bockern)

On April 5, 2007, the Commission received a filing for the approval of an Amendment regarding certain reciprocal compensation and network interconnection rates, terms and conditions to the interconnection agreement between Qwest Corporation and MCImetro Access Transmission Services, LLC for the State of South Dakota.

TODAY, shall the Commission Approve the Amendment to the Agreement?

Administration

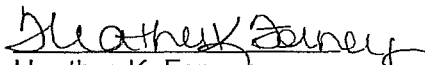
1. Proposed Rulemaking Docket (Commission Attorney: Rolayne Wiest)

Commission Staff requests the Commission open a rulemaking to make changes to some of its rules regarding telecommunications. Some of the proposed changes may include revisions to the certificate of authority rules primarily to reflect the impact of SB 22 (detariffing bill).

TODAY, how shall the Commission Proceed?

Announcements

1. The next regularly scheduled Commission meeting will be held May 22, 2007, at 9:30 a.m. in Room 412, State Capitol Building, Pierre, SD.
2. Commission meetings are scheduled for June 5 and June 26, 2007.
3. A hearing in Docket TC05-047 will be held in Room 412, State Capitol Building, Pierre, SD, on May 8, 2007. The hearing will begin at 1:30 p.m.
4. The PUC offices will be closed on Monday, May 28, 2007, in observance of Memorial Day.
5. A hearing in docket TC07-013 will be held in Room 412, State Capitol Building, Pierre, SD, on June 6, 2007. The hearing will begin at 9:00 a.m.
6. Commissioners and staff will be attending the annual Mid-American Regulatory Conference in Minneapolis, MN, June 17 – 22, 2007.
7. A hearing in Dockets TC06-178, TC06-180, TC06-188, and TC06-189 will be held in Room 412, State Capitol Building, Pierre, SD, June 26 – 29, 2007. The hearing will begin immediately following the Commission Meeting on June 26, 2007, and at 8:30 a.m. on June 27, 28, and 29, 2007.
8. The PUC offices will be closed on Wednesday, July 4, 2007, in observance of Independence Day.



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May 2, 2007